

**ASSEMBLY BILL**

**No. 992**

---

**Introduced by Assembly Member Lieu**

February 27, 2009

---

An act to amend Section 17537.9 of the Business and Professions Code, relating to unfair business practices.

LEGISLATIVE COUNSEL'S DIGEST

AB 992, as introduced, Lieu. Advertising: residential property taxes: assessment appeal application filing services.

Existing law provides that certain advertising related practices are unlawful and makes a violation of those provisions a crime. Existing law makes it unlawful for a person to make any untrue or misleading statements in any manner in connection with the offering or performance of an assessment appeal application filing service, as defined. Existing law exempts from the definition of an assessment appeal application filing service any service performed by a person who actively advocates, in person or by written and oral communications, on the behalf of the person to whom a solicitation is made before the assessment appeals board or the assessor's office.

This bill would delete that exemption and thereby include in the definition of an assessment appeal application filing service those services performed by a person who actively advocates, in person or by written and oral communications, on the behalf of the person to whom a solicitation is made before the assessment appeals board or the assessor's office. The bill would prohibit an assessment appeal filing service from charging, demanding, or collecting money until after the assessment appeal application is filed with the property tax assessor's office or clerk of the assessment appeals board. Because a violation of

this provision would be a crime, and because this bill would expand the scope of services subject to the provisions regulating assessment appeal application filing services, a violation of which is a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 17537.9 of the Business and Professions  
2     Code is amended to read:

3     17537.9. (a) It is unlawful for any person to make any untrue  
4     or misleading statements in any manner in connection with the  
5     offering or performance of an assessment appeal application filing  
6     service. For the purpose of this section, an “untrue or misleading  
7     statement” includes, but is not limited to, any representation that  
8     any of the following is true:

9     (1) The preparation of an assessment appeal application will  
10    result in a guaranteed reduction of property taxes of a stated  
11    amount.

12    (2) A fee is required in order for the county to process a  
13    reduction of a property’s value.

14    (3) The offeror of the assessment appeal application filing  
15    service will be physically present to represent the person to whom  
16    a solicitation is made before an assessment appeals board, county  
17    board of equalization, or assessment hearing officer, unless the  
18    fee includes this service.

19    (4) The offeror of the assessment appeal application filing  
20    service will prepare or complete the application in full, with the  
21    exception of the property owner’s signature, on behalf of the person  
22    to whom a solicitation is made, unless the fee includes this service.

23    (5) The offeror of the assessment appeal application filing  
24    service has a file or record covering a person to whom a solicitation  
25    is made.

(6) The offeror of the assessment appeal application filing service is, or is affiliated with, any governmental entity. A violation of this paragraph includes, but is not limited to, the following:

(A) The misleading use of any governmental seal, emblem, or other similar symbol.

(B) The use of a business name including the word “appeal” or “tax” and the word “assessor,” “agency,” “bureau,” “department,” “division,” “federal,” “state,” “county,” “city,” or “municipal,” or the name of any city, county, city and county, or any governmental entity.

(C) The use of an envelope that simulates an envelope containing a government check, tax bill, or government notice or an envelope that otherwise has the capacity to be confused with, or mistaken for, an envelope sent by a governmental entity.

(D) The use of an envelope or outside cover or wrapper in which a solicitation is mailed that does not bear on its face in capital letters and in conspicuous and legible type the following notice: “THIS IS NOT A GOVERNMENT DOCUMENT.”

(b) (1) It is unlawful to offer to perform an assessment appeal filing service without making the following disclosure:

“THIS ASSESSMENT APPEAL APPLICATION FILING SERVICE IS NOT ASSOCIATED WITH ANY GOVERNMENT AGENCY. IF YOU DISAGREE WITH THE ASSESSED VALUE OF YOUR PROPERTY, YOU HAVE THE RIGHT TO AN INFORMAL ASSESSMENT REVIEW, AT NO COST, BY CONTACTING THE ASSESSOR’S OFFICE DIRECTLY. IF YOU AND THE ASSESSOR CANNOT AGREE TO THE VALUE OF THE PROPERTY OR IF YOU DO NOT WISH TO CONTACT THE ASSESSOR YOU CAN OBTAIN AND FILE AN APPLICATION, AT NO COST, ON YOUR OWN BEHALF. AN APPEALS BOARD HAS THE AUTHORITY TO RAISE PROPERTY VALUES (BUT IN NO CASE HIGHER THAN THE PROPOSITION 13 PROTECTED VALUE) AS WELL AS TO LOWER PROPERTY VALUES.”

(2) The disclosures specified in paragraph (1) shall be placed at the top of each page of every advertisement or promotional material disseminated by an offeror of an assessment appeal

1 application filing service and shall be printed in 12-point boldface  
2 type enclosed in a box formed by a heavy line.

3 (3) The disclosure specified in paragraph (1) shall be recited at  
4 the beginning of every oral solicitation and every broadcast  
5 advertisement and shall be delivered in printed form as prescribed  
6 by paragraph (2) before the time each person who responds to the  
7 oral solicitation or broadcast advertisement is obligated to pay for  
8 the service.

9 (c) No offeror of an assessment appeal application filing service  
10 shall charge, demand, or collect any money until after the  
11 assessment appeal application is filed with the *property tax*  
12 *assessor's office* or clerk of the assessment appeals board.

13 (d) For the purposes of this section, the following definitions  
14 apply:

15 (1) "Assessment appeal application filing service" means any  
16 service performed or offered to be performed for compensation in  
17 connection with the preparation or completion of an application  
18 *of any kind* for reduction in assessment of residential property or  
19 in connection with the assistance in any manner of another person  
20 to prepare or complete an application *of any kind* for reduction in  
21 assessment of residential property. ~~"Assessment appeal application~~  
22 ~~filing service" does not include any service performed by a person~~  
23 ~~who actively advocates, in person or by written and oral~~  
24 ~~communications, on the behalf of the person to whom a solicitation~~  
25 ~~is made before the assessment appeals board or the assessor's~~  
26 ~~office. "Actively advocate" does not include the act of providing~~  
27 ~~the person to whom a solicitation is made with a list of comparable~~  
28 ~~sales of residential property.~~

29 (2) "Assessment appeal application" has the meaning described  
30 in Section 1603 of the Revenue and Taxation Code.

31 SEC. 2. No reimbursement is required by this act pursuant to  
32 Section 6 of Article XIII B of the California Constitution because  
33 the only costs that may be incurred by a local agency or school  
34 district will be incurred because this act creates a new crime or  
35 infraction, eliminates a crime or infraction, or changes the penalty  
36 for a crime or infraction, within the meaning of Section 17556 of  
37 the Government Code, or changes the definition of a crime within

1 the meaning of Section 6 of Article XIII B of the California  
2 Constitution.

O